

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Promote Policy
and Program Coordination and Integration in
Electric Utility Resource Planning.

Rulemaking 04-04-003
(Filed April 1, 2004)

**ADMINISTRATIVE LAW JUDGE'S RULING
CLARIFYING INSTRUCTIONS ON LONG-TERM PLAN FILINGS**

Based on collaborative recommendations of Energy Division and California Energy Commission staff, Appendix A to the *Assigned Commissioner's Ruling and Scoping Memo* dated June 4, 2004, is modified as described below. These changes are intended to clarify and streamline certain direction and guidance given to the respondent utilities regarding their long-term procurement plan filings.

A. Appendix A, Section 2.1

Core/Noncore Market Structure. The required scenarios are reduced to the following:

- Eligibility:
 - All customers with a minimum peak demand of 500 kW and above.
 - All customers with a minimum peak demand of 200 kW and above.
 - All customers with a minimum peak demand of 20 kW and above.
 - Allow aggregation of non-residential load by energy service providers to combined loads of 500 kW and above.

- Period and Start Dates for Eligible customers switching suppliers.
 - All eligible customers leave bundled utility service over a five-year period with equal percentages (i.e., 20%) leaving in each year starting in 2006.
 - All eligible customers leave at once in 2009.

B. Appendix A, Section 7.6

95th Percentile Cost Sensitivities Reporting. When reporting on the results of long-term plans as called for in Section 7.6, the utilities should calculate the 95th percentile of overall costs, taking into account gas prices, market prices for electricity, and the costs of all other factors.

C. Appendix A, Sections 5, 7, and 7.7

Load-Pocket – Local Area Reliability. Consistent with the *Assigned Commissioner’s Ruling Regarding Reliability Issues* of June 10, 2004, the utilities should include in their long-term plans a focus on local area reliability as well as service-area-wide reliability issues. They should do so even if they do not have the specific information required to define specific load pockets. Where the June 4 ruling discusses load pocket issues, the utilities should focus on local area reliability issues.

D. Appendix A, Sections 7.1, 7.2, and 7.3

Monthly Capacity Resource Accounting Tables and Monthly Energy Balances Tables. The long-term plans may provide quarterly capacity and energy tables rather than monthly tables. This is consistent with the types of products available in the market and, hence, sufficient for the analytical needs of the collaborative staff.

E. Appendix A, Section 3

Medium-Load Plan Scenario. Each utility's medium-load plan scenario is to be its best estimate of how it would prepare to meet the needs it expects. It is not necessary to adopt the specific assumptions indicated near the bottom of page 5 of Appendix A of the June 4 ruling (for non-consensus items) regarding responsibility for "existing bundled service customers, load growth for these customers, and all new customers resulting from economic growth in their service areas..."

IT IS RULED that Appendix A to the *Assigned Commissioner's Ruling and Scoping Memo* dated June 4, 2004 is modified as set forth herein. San Diego Gas & Electric Company, Southern California Edison Company, and Pacific Gas and Electric Company shall comply with the clarifications and simplifications discussed above.

Dated June 16, 2004, at San Francisco, California.

/s/ MARK S. WETZELL by LTC

Mark S. Wetzell

Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Clarifying Instructions on Long-Term Plan Filings on all parties of record in this proceeding or their attorneys of record.

Dated June 16, 2004, at San Francisco, California.

/s/ FANNIE SID
Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.